



STATE REPRESENTATIVE
Deb EDDY 48TH LEGISLATIVE DISTRICT

2010 Session Report

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Dear friends and neighbors,

After a few weeks' break, it's time to share my take on the difficult 2010 session. This year it was all about the budget, all the time, except when it was about SR520. And the results, honestly, were a mixed bag.

First, the good news. We took a major step forward in the SR520 corridor project, passing a bill (ESSB 6392 in the Senate; I sponsored the House companion, HB 2929) that authorizes Eastside projects to begin construction. I also sponsored HB 2179, a bill that will help our cities meet the growing demand for inter-city transit services.

It's usually not wise to take credit for legislative successes, since everything we do is a team effort. But in the case of both these bills, I'll take credit — or blame — for the lion's share of the work. In the months leading up to the session, we organized and strategized with multiple partners to ensure these bills would pass.

These successes came at some political cost, yes, but it was well worth the occasional sharp words and slammed doors (yes, it got that bad) to know that these projects will move forward.

Now, the mixed-bag part of the story. As you may recall, last year our revenue estimates for the biennium fell short by about \$9 billion. In January, there was an additional \$2.8 billion hole. It isn't much comfort to know that 47 states are facing the same challenges or that many of us knew this day would come. And no, it wasn't totally because of state spending, although there are those who will tell you that's the case.

In about 2004, economists predicted that the rise of risky financial practices, war debt, low personal savings rates and increasing fiscal pressure on Medicare and Social Security presented a high risk scenario for this country. No one knew exactly when the recession would hit, but it was no surprise to many of us when it did.

Later in this newsletter, I'll deal with the budget and revenue more specifically, but you should know that at least several hundred people called, wrote or attended town halls, giving their input on how we should respond. Some folks demanded no new taxes of any kind. Some demanded no further cuts.

Many of you asked that we balance the solution — some cuts, some taxes. And that's what we did. Although the final product was not to my satisfaction, it was the package that could gain the necessary majority vote.

Thank you, as always, for the privilege of representing you in Olympia. The job isn't easy, but I have sincerely appreciated the opportunity to try to make things better.

Deb

Balancing a budget in bad economic times

As you may know, I started my political involvement in city government. An old city friend and I have a slightly sarcastic test for whether a city is in dire financial straits. If there is still an arborist on staff, in our view, the city's allegations of emergency and imminent doom are premature.

Thought state government is a very different world for all sorts of reasons having to do with the constitution and relationships to other governments, there are tests similar to the arborist measure for state government. In part, these might be the nice-to-haves like travel, professional development and extra support staff.

Don't get me wrong, these items are not necessarily "waste." Having a well-trained staff is a benefit to all of us; you really do want prison guards to know what they're doing and to have troopers, teachers and social service workers be well supported. But there are other items, programs that were developed during good times that just don't pass the straight-face test when revenue is dropping like a rock.

One legislator's trash is another legislator's treasure, so Rep. Kelli Linville, chair of the Ways & Means Committee, put many people to work, going through the state budget, line by line.

Thereafter, of course, the House budget had to be negotiated with the Senate. The final product is a mixed bag, no surprise in a representative democracy with two houses trying to garner the necessary votes for passage.

The original 2009-11 operating budget: "No new taxes"

We arrived in Olympia in January 2009 with a \$9 billion revenue shortfall. This means that to maintain the existing levels of state services, we'd need \$9 billion more dollars than current (at that time) revenue projections. Using some cuts, some federal stimulus dollars, and shifting money among accounts we managed to close the gap with no new taxes. We laid off about 4,000 workers, preserving as many front line workers as possible – caseworkers, teachers, prison guards.

January 2010:

There are no more arborists, so to speak

I'm possibly over-using this arborist analogy, but bear with me.

In January 2010, we saw an additional \$2.8 million shortfall in projected revenue. That number represents the difference between the revenue needed to support the adopted budget and the updated projected revenue.

In our families and businesses, we know the first action to take when revenues fall is to cut expenses. Common sense. There's a rather stark difference between our families and government, though. When our personal or business income drops, we don't suddenly end up with three more kids to feed or four more employees than we started with.

For government, bad times mean the need for critical services like public education, workforce training and social supports like foster care or childcare subsidies goes up. Higher education funding that allows our kids to stay in college becomes even more critical.

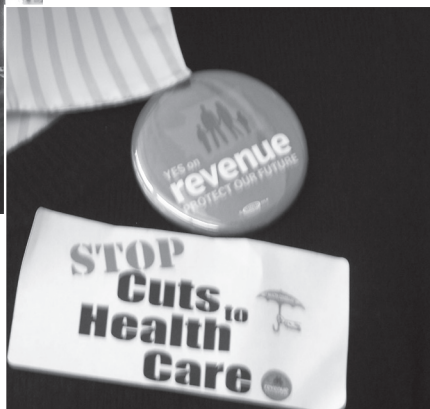
I am not going to throw a lot of statistics at you. You can read the competing characterizations of what we did in various newspapers and web

sites, or at the links in the box for just the factual descriptions. We either did a wonderful job or a terrible job, depending on what interest group you ask or what political lens you use.

Bottom line, from my point of view, is that we did okay, considering the circumstances. We made



Rep. Eddy recaps feedback noted on flipcharts from more than 100 participants at a February 20 town hall. The crowd was split between those asking for no more cuts to the budget and those asking for no increased revenue. Also shown are Senator Rodney Tom and Rep. Ross Hunter.



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more cuts, raised some new revenue and managed to keep essential public services and the social safety net largely intact. The arborists are gone, metaphorically speaking ... but so are a lot of teachers, corrections officers, nursing home inspectors and the like.

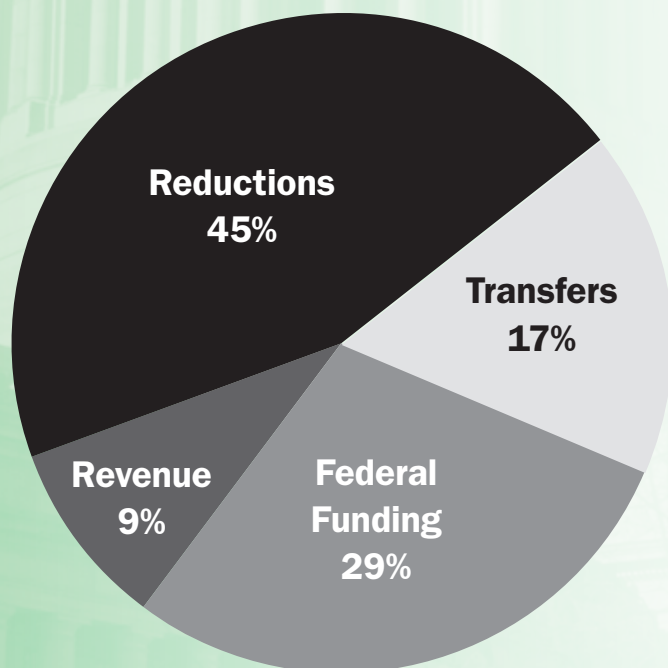
I may not like many of the details of the budget or the revenue packages; there are things in there for everyone to hate. I was particularly disappointed with the failure to pursue any meaningful reform efforts. The next legislature will face another round of cuts; I expect to revisit the reform question. In sum, we did both better than I expected and worse than I had hoped. A mixed bag.

Budget Resources:

Detailed budget highlights and summaries
leap.leg.wa.gov

One-stop shop for statewide budget information
www.fiscal.wa.gov

House Democrats budget summary information
www.housedemocrats.wa.gov/budget.asp



At a very high level, we faced a drop in projected revenues of more than \$11 billion in this biennium out of about \$32 billion in operating budget expenditures (round figures, almost a third of the budget), and we addressed the problem with cuts, efficiencies and less than \$800 million in new revenue.

Budgets are more than numbers

"When I received my letter last year from the Washington Higher Education Coordinating Board that named me as a Washington Scholar, it was one of the best moments of my life. It was thrilling to know that all my hard work throughout high school had paid off, and that I would have the opportunity to attend a Washington college... I urge you to do all you can to support merit-based financial aid in the state of Washington. You hold the futures of many bright students within your hands." – Jonathan, Bellevue

A couple of environmental successes

Even in a lousy budget year, we managed to take further action to protect health and the environment.

We became the second state in the nation to ban the toxic chemical Bisphenol A from baby bottles, sippy cups and sports bottles (HB 1180/ SB 6248). Bisphenol A is an estrogen-mimicking chemical that causes a range of developmental issues, with fetuses and infants being most susceptible.



In another little-heralded action, we passed the first law in the country that begins to phase out copper brake pads. Every time a car or truck hits the brakes, a little bit of copper dust falls to the roadway. Eventually that copper gets washed into our streams and rivers and damages our salmon runs.



Another win for the environment this year was passage of the comprehensive product stewardship program for mercury-containing light bulbs. This is the second such program to be launched in the U.S. Mercury harms

the brain, kidney and liver, and this program ensures convenient access to disposal in all areas of the state, with producers providing for safe disposal.

This is in addition to our state's E-Waste Program, the first in the nation to provide manufacturer-funded free recycling of computers, monitors, laptops and televisions. The program went into effect last year and collected 38 million pounds of TVs and computers. Visit www.ecy.wa.gov/programs/swfa and click on Waste 2 Resources at the bottom for drop-off information.

Given the diminished resources we dealt with this year, I'm happy with these results.

SR 520: Orange cones coming to the Eastside soon...

If I could claim one major success this session, it's the compromise we brokered with Westside legislators to free up funding that allows us to start the SR520 corridor improvements next year.

As you may recall, Rep. Hunter and I voted no on the early tolling bill last year (ESHB 2211), at least in part due to the prohibition of the use of toll funds for Eastside projects.

Powerful Seattle legislators stymied our efforts to amend that bill, and we had to fix this situation this year. Under SB 6392 (Sen. Tom's bill; my House companion HB 2929), tolling funds will be available not only for the floating bridge but also for Eastside projects, many of which are shovel-ready.

Whatever mode of travel you're using – car, van, bus, bike, trike or roller skates – these improvements will reduce cross-lake travel time and improve air and water quality.

The WSDOT website has extensive information (www.wsdot.wa.gov/projects/SR520bridge), but this illustration gives you a flavor of what's in store.

With 30 percent of construction workers needing a job, and with construction prices far below what we've budgeted, it's a smart thing to let these projects go forward NOW. I'm enormously proud to have passed this bill out of the House.

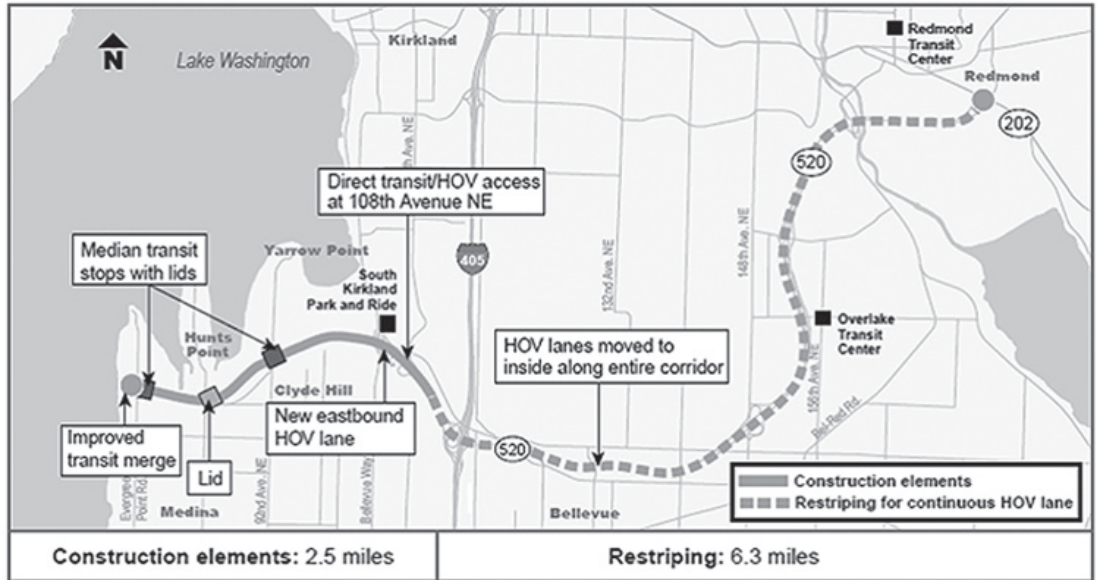


Photo credit: Washington State Department of Transportation

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